

Decision 06-05-012 May 11, 2006

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Mr. Jose Cardenas Toribio doing business as Jose Maria Transportation for authority to operate as a Passenger Stage Corporation in the geographical area of Los Angeles County, Orange County, Ventura County, San Bernardino County and Riverside County. We will provide on call services to various points within the county to various airports such as Los Angeles, Burbank, John Wayne, Ontario, Long Beach, and Ventura Airport. This transportation service provided in one direction and applies in reverse direction. Also, service to include Amtrak Station and Port of Call location, and establish a Zone of Rate Freedom.

Application 05-11-017  
(Filed November 22, 2005)

**O P I N I O N**

**Summary**

This decision grants the application of Jose Cardenas Toribio (Applicant), an individual, pursuant to Pub. Util. Code § 1031 et seq., for a certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, and to establish a zone of rate freedom (ZORF) pursuant to Pub. Util. Code § 454.2.

**Discussion**

The application, as amended by letters of February 23 and March 25, 2006, requests authority to operate as an on-call PSC to transport passengers and their baggage between points in Los Angeles, Orange, Riverside, San Bernardino, and

Ventura Counties, on the one hand, and Los Angeles International (LAX), John Wayne (SNA), Ontario International (ONT), Long Beach (LGB), and Burbank (BUR) Airports<sup>1</sup>, Los Angeles Harbor (HBR), and the Los Angeles Amtrak Station (AMTRAK), on the other hand.

Applicant states that passenger traffic between the requested service points is increasing and is expected to continue to grow. Currently, about 45 million passengers pass through LAX annually, and this number is expected to rise to over 56 million in the next 10 years. Applicant also cites the expanded utilization of ONT as a sign of increased passenger growth. With this growth has come increased traffic congestion on the highways and at the airports. As a consequence, large numbers of the public are seeking the services of door-to-door van services as an alternative to driving their own automobiles. Applicant desires to offer a service that will help to alleviate these problems and meet the public's need for airport transportation service.

Applicant currently has one vehicle, which he operates under his charter-party carrier permit (TCP 18311-P). He indicates that he will add vehicles, including contracting with licensed charter-party subcarriers, as needed to meet the public's transportation requirements. Attached to the application as Exhibit C is Applicant's unaudited balance sheet that discloses assets of \$468,000 and no liabilities.

The proposed fares, as listed in Exhibit B of the application, range between \$9 (El Segundo – LAX) and \$125 (Ojai – ONT). Applicant requests authority to establish a ZORF of \$12 above and \$6 below the proposed fares. The minimum fare will be \$5. Applicant will compete with other PSCs, taxicabs, charter

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<sup>1</sup> Burbank Airport is also known as Bob Hope Airport.

limousines and sedans, public transit, and private automobiles in his service area. This highly competitive environment should result in Applicant pricing his services at a reasonable level. Many other PSCs have been granted ZORFs. The requested ZORF is generally consistent with the ZORFs held by other PSCs.

Notice of filing of the application appeared in the Commission's Daily Calendar on November 28, 2005. Applicant requests a waiver from the provisions of Rule 21 of the Commission's Rules of Practice and Procedure which require service of a notice of the application on all city and county officials within whose boundaries the passengers will be loaded or unloaded. He served a notice to the involved airports and the county transportation authorities in the service area. Applicant states that all parties that have an interest in Commission proceedings subscribe to or have access to the Commission's Daily Calendar. We shall exercise the discretion accorded to us by Rule 87 and grant the waiver requested by Applicant because he will be providing on-call service, not scheduled service, and service on all cities in the service territory would be burdensome.

In Resolution ALJ 176-3163 dated December 1, 2005, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3163.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

### **Assignment of Proceeding**

Richard Clark is the assigned Examiner in this proceeding.

### **Findings of Fact**

1. The application requests authority to operate as an on-call PSC to transport passengers and their baggage between points in Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties, on the one hand, and LAX, SNA, ONT, LGB, BUR, HBR and AMTRAK, on the other hand.
2. Public convenience and necessity requires the proposed service.
3. Applicant requests authority to establish a ZORF of \$12 above and \$6 below the proposed fares, as shown in Exhibit B of the application. The minimum fare will be \$5.
4. Applicant will compete with PSCs, taxicabs, charter limousines and sedans, public transit, and private automobiles in his operations. The ZORF is fair and reasonable.
5. Applicant requests a waiver of the notice requirements of Rule 21 of the Rules of Practice and Procedure as he has served notice to the involved airports and the county transportation authorities in the service area.
6. No protest to the application has been filed.
7. A public hearing is not necessary.
8. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

### **Conclusions of Law**

1. Public convenience and necessity has been demonstrated and the application, as amended, should be granted.
2. The request to waive the notice requirements of Rule 21 should be granted.
3. The request for a ZORF should be granted.
4. Before Applicant changes any fares under the ZORF authorized below, Applicant should give this Commission at least ten days' notice. The tariff

should show the high and low ends of the ZORF and the then currently effective fare between each pair of service points.

5. Since the matter is uncontested, the decision should be effective on the date it is signed.

6. Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

## **O R D E R**

### **IT IS ORDERED** that:

1. A certificate of public convenience and necessity (CPCN) is granted to Jose Cardenas Toribio (Applicant), an individual, authorizing him to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to transport passengers and their baggage between the points and over the routes set forth in Appendix PSC-18311, subject to the conditions contained in the following paragraphs.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. File tariffs on or after the effective date of this order. They shall become effective ten days or more after the effective date of this order, provided that the Commission and the public are given not less than ten days' notice.
- d. Comply with General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.

- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
- f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
- g. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
- h. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.

3. Applicant is authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) of \$12 above and \$6 below the proposed fares, as shown in Exhibit B of the application. The minimum fare will be \$5.

4. Applicant shall file a ZORF tariff in accordance with the application on not less than ten days' notice to the Commission and to the public. The ZORF shall expire unless exercised within 120 days after the effective date of this order.

5. Applicant may make changes within the ZORF by filing amended tariffs on not less than ten days' notice to the Commission and to the public. The tariff shall include the authorized maximum and minimum fares and the fare to be charged between each pair of service points.

6. In addition to posting and filing tariffs, Applicant shall post notices explaining fare changes in his terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least 30 days.

7. Applicant is authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to Applicant that his evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the CHP has approved the use of Applicant's vehicles for service.

8. Before beginning service to any airport, Applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are authorized by the airport's governing body.

9. The CPCN to operate as PSC-18311, granted herein, expires unless exercised within 120 days after the effective date of this order.

10. The notice requirements of Rule 21 of the Commission's Rules of Practice and Procedure are waived as notice of the application has been served upon parties that may have an interest in this proceeding.

11. The Application, as amended, is granted as set forth above.

12. This proceeding is closed.

This order is effective today.

Dated May 11, 2006, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
GEOFFREY F. BROWN  
DIAN M. GRUENEICH  
RACHELLE B. CHONG  
Commissioners

Commissioner John A. Bohn, being  
necessarily absent, did not participate.

CERTIFICATE  
  
OF  
  
PUBLIC CONVENIENCE AND NECESSITY  
  
AS A PASSENGER STAGE CORPORATION  
  
PSC-18311

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Showing passenger stage operative rights, restrictions,  
limitations, exceptions, and privileges.

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All changes and amendments as authorized by  
the Public Utilities Commission of the State of California  
will be made as revised pages or added original pages.



## **I N D E X**

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SECTION I. GENERAL AUTHORIZATIONS, RESTRICTIONS,  
LIMITATIONS, AND SPECIFICATIONS.

Jose Cardenas Toribio, an individual, by the certificate of public convenience and necessity granted by the decision noted in the foot of the margin, is authorized to transport passengers and their baggage on an "on-call" basis between the points described in Section II, over the routes described in Section III, subject, however, to the authority of this Commission to change or modify this authority at any time and subject to the following provisions:

- A. When a route description is given in one direction, it applies to operation in either direction unless otherwise indicated.
- B. The term "on-call," as used, refers to service which is authorized to be rendered dependent on the demands of passengers. The tariffs shall show the conditions under which each authorized on-call service will be provided, and shall include the description of the boundary of each fare zone, except when a single fare is charged to all points within a single incorporated city.
- C. No passengers shall be transported except those having a point of origin or destination as described in Section IIB.
- D. This certificate does not authorize the holder to conduct any operation on the property of any airport unless such operation is authorized by the airport authority involved.

SECTION II. SERVICE AREA.

- A. Points in the Counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura.
- B. Los Angeles International Airport (LAX).  
John Wayne Airport (SNA).  
Ontario International Airport (ONT).  
Long Beach Airport (LGB).  
Burbank Airport (BUR).  
Los Angeles Harbor (HBR).  
Los Angeles Amtrak Station (AMTRAK).

SECTION III. ROUTE DESCRIPTION.

Commencing from any point described in Section IIA, then over the most convenient streets and highways to any point described in Section IIB.